

A RESOLUTION

A RESOLUTION BY THE BOARD OF DIRECTORS OF THE CITY OF HELOTES ECONOMIC DEVELOPMENT CORPORATION ("EDC") REPEALING EDC RESOLUTION NO. 36 AND APPROVING A CHAPTER 380 ECONOMIC DEVELOPMENT AGREEMENT BETWEEN THE CITY OF HELOTES, TEXAS ("CITY"), EDC, THE BLUFF AT OLD TOWN HELOTES, L.L.C., AND THE SHOPS AT OLD TOWN HELOTES, INC (COLLECTIVELY REFERRED TO AS "DEVELOPER"). FOR PROPERTY AND SALES TAX GRANTS FOR THE CONSTRUCTION OF PUBLIC IMPROVEMENTS AND THE DEVELOPMENT OF THE SHOPS AT OLD TOWN HELOTES AND THE CONSTRUCTION OF SIDEWALKS AND MIXED-USE RETAIL, OFFICE, AND RESTAURANT FACILITIES ON APPROXIMATELY 5.26 ACRES OF REAL PROPERTY ACROSS TWO (2) PARCELS OF LAND LOCATED NEAR THE INTERSECTION OF RIGGS ROAD AND OLD BANDERA ROAD AND SCENIC LOOP ROAD AND OLD BANDERA ROAD; INCORPORATING RECITALS; DECLARING A PUBLIC PURPOSE; AUTHORIZING THE CITY ADMINISTRATOR AND EDC EXECUTIVE DIRECTOR TO TAKE ALL NECESSARY STEPS TO IMPLEMENT THE PROVISIONS OF THIS RESOLUTION; PROVIDING FOR SEVERABILITY; REPEALING ANY OTHER PROVISION IN CONFLICT HEREWITH; AND SETTING AN EFFECTIVE DATE.

WHEREAS, the Developer owns two (2) independent parcels of real property located within the Old Town Helotes Special District in the City of Helotes, Texas. Collectively, the total acreage of the two (2) parcels constitutes approximately 5.26 acres of real property, being more fully described in Exhibit "A" ("Property" and/or "Properties"); and

WHEREAS, the Developer intends to develop the Property as the Bluffs at Old Town Helotes and the Shops at Old Town Helotes, a mixed-use shopping center consisting of retail, office space, and restaurant buildings; and

WHEREAS, Article III, Section 52-a of the Texas Constitution gives the Texas Legislature the authority to provide for loans and grants of public money for the development and diversification of the State's economy and the elimination of unemployment or underemployment; and

WHEREAS, pursuant to Chapter 380 of the Texas Local Government Code ("Chapter 380"), the City may establish and provide for the administration of an economic development program to advance economic growth, while also stimulating business and commercial activity within the municipality; and

WHEREAS, pursuant to the Development Corporation Act, Article 5190.6 Tex. Rev. Civ. Stat. ("Act"), the City has created the EDC to implement programs for promoting economic development; and

WHEREAS, the EDC's mission is to promote, encourage, and enhance the creation of jobs, the expansion of the local tax base, and the quality of life for Helotes residents through projects that assist in their retention and expansion of existing employers and which attract new employers and aid in their economic development and growth; and

WHEREAS, the vision of the EDC includes a balance of sales and property taxes that takes into account our town's historic roots and unique environment, resulting in an improved quality of life for all Helotes citizens; and

WHEREAS, the EDC Board of Directors approved Resolution No. 36 upon the Project's presentment, a public hearing held thereon, and notice of said hearing having first been duly published in The Helotes Echo, the EDC website, and the City of Helotes agenda bulletin board and has determined that making an economic development grant to the Developer in accordance with this Agreement constitutes a permissible "Program" within the terms of the Act, as defined by Art. 5190.6 Development Corporation Act of 1979, Secs. 2 and 4(B) of Vernon's Texas Civil Statutes and will promote new and expanded business development within the City, which is declared and expressly found to be in the public interest; and

WHEREAS, in addition to the six and a quarter percent (6.25%) sales and use tax imposed by the State, the City imposes a one percent (1.00%) sales and use tax, as authorized by Section 321.101 of the Texas Tax Code, and the EDC imposes a one-half percent (0.50%) sales and use tax; and

WHEREAS, the City currently imposes a property tax rate of .350000 cents per one hundred dollars (\$100.00) property valuation; and

WHEREAS, the EDC intends, and in connection with such intention, adopts this Resolution to refund fifty percent (50%) of the annual sales and use tax proceeds generated by retail businesses located within the Property, up to and including Two Million Dollars (\$2,000,000.00) for actual Hard and Soft Costs and Actual Cost of Funds associated with Public Improvements ("Maximum Grant Amount"), the City's sales and use tax and property tax proceeds withstanding, to the Developer for the purpose of encouraging business expansion and the creation of new jobs in the City; and

WHEREAS, the City Council of the City of Helotes, Texas intends, and in connection with such intention, has adopted an Ordinance, as described in Exhibit "C," to refund fifty percent (50%) of the annual sales and use tax proceeds and fifty percent (50%) of the annual increased property tax revenues generated by retail businesses located within and on the Property, up to and including the Maximum Grant Amount, the EDC's sales and use tax proceeds withstanding, to the Developer for the purpose of encouraging business expansion and the creation of new jobs in the City.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF HELOTES ECONOMIC DEVELOPMENT CORPORATION THAT:

SECTION ONE. FINDINGS OF FACT. All of the above recitals and those recitals included within the Chapter 380 Economic Development Agreement, attached hereto as Attachment One and incorporated herein by reference as if fully copied and set forth at length, are found to be true and correct, and the EDC incorporates the same in this Resolution as findings of fact.

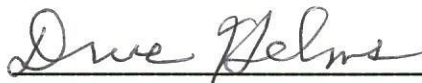
SECTION TWO. APPROVAL AND PUBLIC PURPOSE. The Chapter 380 Economic Development Agreement, between the City, EDC, the Bluff at Old Town Helotes, L.L.C., and the Shops at Old Town Helotes, Inc. be approved and declared to serve the economic development purpose of promoting new and expanded business development within the City.

SECTION THREE. AUTHORIZATION. The City Administrator and EDC Executive Director is authorized to take all necessary steps to implement the provisions of this Resolution.

SECTION FOUR. SEVERABILITY. If any section, subsection, sentence, clause, or phrase of this Resolution is for any reason held to be unconstitutional or illegal, such decision shall not affect the validity of the remaining sections of this Resolution. The EDC Board of Directors hereby declares that it would have passed this Resolution, and each section, subsection, clause, or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared void.

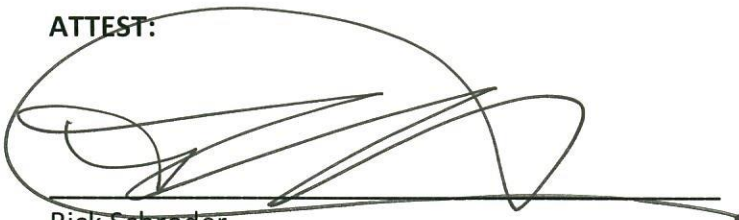
SECTION FIVE. EFFECTIVE DATE. This Resolution shall be effective immediately upon execution.

PASSED AND APPROVED by the Board of Directors of the City of Helotes Economic Development Corporation this 30 day of July 2014.



Drue Helms
Vice-President
City of Helotes Economic Development Corporation

ATTEST:



Rick Schroder
Executive Director
City of Helotes Economic Development Corporation